

# **BALLOT PROPOSITION #205**

## **Your Right to Vote by Mail Act**

### **FISCAL ANALYSIS**

#### **Description**

Proposition 205 amends statute to institute a vote by mail process in Arizona. Ballots would be sent automatically to each registered voter with a stamped return envelope for all elections required by state law. On election days, an absolute minimum number of county-wide polling places would remain open where voters could vote in person. Voters would also be able to deliver their ballots at the offices of election officials on election days. The initiative would eliminate the current law that requires counties to mail sample ballots of a political party for primary elections to each household where a registered voter of that political party resides. Proposition 205 would also eliminate the current law that requires mailing sample ballots for general elections to each household where a registered voter resides. This measure would not change the current laws for voter registration, the state's early voting option, or the process for verifying a mailed in ballot.

#### **Estimated Impact**

State law requires the Joint Legislative Budget Committee (JLBC) Staff to prepare a summary of the fiscal impact of certain ballot measures. Each household with a registered voter currently receives a sample ballot prior to state, county and local elections. These sample ballots may not be used for voting. Proposition 205 eliminates the requirement to provide sample ballots to households and instead requires mailing a regular ballot to each registered voter. As the sample ballot mailing is a state cost, elimination of that requirement may save the state approximately \$1.7 million in election years. Since counties and local governments would have to mail regular ballots to each individual registered voter, their mailing costs are projected to be higher than the current cost of mailing the sample ballot to households. The counties and local governments, however, may reduce some of their other expenses. The counties and local governments are currently responsible for the cost of polling places. Since Proposition 205 would require an absolute minimum number of polling places, county and local government may experience savings depending on the revised number of polling places. The net fiscal impact on county and local governments is difficult to determine in advance and will depend, at least in part, on their higher costs to mail ballots to registered voters compared to the savings from a reduced number of polling places.

#### **Analysis**

The Secretary of State's office reimburses counties with General Fund dollars. In the 2004 primary and general elections, 2.8 million sample ballots were mailed at an average cost of \$0.60, bringing the total cost to reimburse counties for the mailing to \$1.7 million (2.8 million x \$0.60 = \$1.7 million). Proposition 205 eliminates the requirement for sample ballots to be mailed, which would result in a savings to the General Fund of approximately \$1.7 million in years when state elections are held. The actual level of savings will depend on the number and length of sample ballots that would have otherwise been mailed if Proposition 205 did not go into effect.

#### **Local Government Impact**

Proposition 205 may generate both costs and savings for county and local governments. While the cost to institute a vote by mail process can be estimated to some extent, the level of savings cannot be determined with available data. The requirement in Proposition 205 that ballots be sent automatically to each registered voter with a stamped return envelope for all elections required by state law may result in an additional postage cost of \$3.6 million for the counties. Elections required by state law include state primary and general elections, presidential primary elections, and a number of elections held at the local level including city and school board elections.

Using the 2004 general election as an example, if the same number of voters (approximately 1 million of 2.6 million eligible voters) chose the early voting option again, counties would have the added cost of a stamp on the return envelope, which they do not currently provide. At the current postage rate of \$0.39, the additional cost for these early ballot voters would be about \$390,000. The mailing cost could be higher if the ballot is too big to qualify for \$0.39 postage, or lower if the counties can take advantage of bulk mailing discounts.

Of the 2.6 million registered voters, 1.6 million did not early vote in 2004. Under the proposition, these individuals would receive a mail-in ballot, which would add to county postage costs. This cost would be \$0.78 to send, and receive back, the ballot. At a rate of \$0.78 per ballot, the total cost associated with these voters would be approximately \$1,250,000. This cost estimate does not factor in additional costs related to printing ballots as well as potential savings that may result from bulk mail.

The overall cost to the counties of covering the cost for postage for ballots in a general election, therefore, would be \$390,000 for early voters and \$1,250,000 for new mail-in voters, for a total cost of \$1,640,000. Counties will also need to make available ballots at the polling places that are open on election days, which would also result in an additional cost.

If a comparable methodology were applied to the primary election, the net additional cost would be approximately \$1,960,000. The total cost to the counties for the cost of postage ballots in both the primary and general elections, therefore, would be \$3,600,000.

The above state primary and general election postage cost estimates do not take into account how Proposition 205 would impact voter participation. If the proposition results in 100% voter participation, the costs would be as described above. This scenario, however, is unlikely. If participation does not change from current levels, the postage costs would be less than the \$3.6 million estimate.

Because Proposition 205 only requires a limited number of polling places to remain open on election days, savings may result for counties and local governments. Currently, there is typically one designated polling place for each of the 2,203 precincts in the state, though in some cases the smaller counties may combine precincts into one polling place. The Arizona Association of Counties and several individual counties have been unable to provide an estimate of the cost to operate their current polling places. While there is a lack of specific cost information, counties can be expected to realize savings from renting fewer polling places. Counties would also recruit and train fewer poll workers for election days, which would result in additional savings. Currently, counties must pay for the costs associated with delivering and conducting accuracy and logic tests on optical scan tabulators that are used on site at polling locations. Both Yavapai County and Maricopa County indicated that with only a limited number of polling places remaining open on election days, savings will be realized due to the reduced need for delivery and testing of this equipment for various locations. Yavapai County reported that counting mailed ballots centrally is more efficient than counting ballots at individual precincts because it eliminates the need to hire additional help to process ballots at each precinct on election day. Maricopa and Pima County, which are the two largest counties in the state in terms of voter registration, would still need to hire additional help to scan mailed ballots due to the number of ballots they expect to receive.

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This estimate was prepared by Leah Ruggieri (602-926-5491).
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